

QUESTIONS SUGGESTED TO STIMULATE DISCUSSION

Lesson I

- 1 - Deeds, mortgages, bonds, notes, debentures - which, if any, of these are wealth? Why should not the others be considered wealth?
- 2 - Is it proper to speak of a man's skill and education as a part of his capital? If so, why? If not, why not?
- 3 - If one man owned and himself operated a milk route, would he be a land-owner, a capitalist or a laborer? If he owned and himself operated a company supplying water to a town, what would be his status?
- 4 - Which of the following is it proper to consider as Capital? An untapped oil field, an oil well, oil going through the refinery, gasoline for sale at a garage, gasoline in your car? If any of these is not capital, what is it? How many of them are wealth?
- 5 - If a man sells wealth in order to buy land, does that make wealth of the land he has purchased? If so, why? If not, why not?
- 6 - Does the housewife produce any wealth when she sews and cooks for the family? If so, how? If not, why not?
- 7 - A ribbon machine in use is classified as capital? Would it still belong in the class of capital if it is in a window for exhibition?
- 8 - Does a professional man, - physician, lawyer, musician, teacher, etc., produce wealth in the exercise of his profession? Does he receive wages?

Lesson II

- 1 - If the National Newark & Essex Bldg. were moved, by a magic carpet to a spot in the middle of the Sahara Desert where there are no people, what effect would this have upon the value of the lot to which it had been moved? What effect would it have upon the value of the lot from which it had been moved? Would it still be Capital??
- 2 - When one buys groceries, the grocer will charge a profit over the cost of the goods to him. Of that, in an economic sense, will this profit consist?
- 3 - Are school buildings capital? If not, why not? If so, when? (Consider during the process of building as well as when being used as a school).
- 4 - Is the rental value, or the selling value, of any piece of land in Newark (or elsewhere) due to the use being made of that land? If not, why not? If so, why?
- 5 - When one pays a railroad fare, does one pay rent, wages or interest?

Lesson III

- 1 - A man owns the house and lot where he resides, he also owns the building and lot where he does his business. Is each, or any of these a part of his capital? If not, why not? If he mortgages his home, and uses the money thus obtained in his business, would this change the status of his home?
- 2 - Does the fertility of land measure its productivity? If you believe there are any other factors affecting productivity, will you name some of them and explain why they are factors?
- 3 - Under what heading, in economics, would you class a newspaper? What is it to the printer? What is it to the man who buys it to read?
- 4 - When does an article produced by labor, become wealth? When does it stop being wealth? When it ceases to be wealth does it ever become land or man?

neither does he produce wealth in the ordinary performance of his duties? How would you class the energy exerted by a veterinary? Does he labor, does he produce wealth, does he receive wages? Give the reasons for your conclusions?

6 - A man works out a secret formula for waterproofing materials. He sells this formula to a manufacturer in exchange for five years royalties. How, in economics, should one classify the payment he receives?

Lesson IV

- 1 - If wages are determined by what a man can make working for himself upon the best land which is free to him, can you explain why wages vary as between individuals and between occupations, at any given time upon the same grade of land?
- 2 - In any given business is it the proprietor who really employs the individuals working in that business? If not, who does?
- 3 - What would happen to wages if machines were so perfected as to need no labor to operate them, if
 - a - there were plenty of free land;
 - b - all of the land were owned by a part of the people?
- 4 - In economics, how should one class a "middleman"? Is he a wealth producer or a parasite? If he be a wealth producer, how does he produce wealth? If he makes a profit, of what does it consist?
- 5 - Does a stock-broker ever produce any wealth? If so, when and how? If not, why not?
- 6 - Does the use of modern machinery reduce wages or cause unemployment? If so, how?
- 7 - Can any regulation by government as to minimum or maximum wages be effectively enforced? If not, why not?
- 8 - Can the withholding of capital from use, keep labor unemployed? Why?

Lesson V

- 1 - Should land values be included when ascertaining the total wealth of a community? If so, why, If not, why not?
- 2 - Is it logical to believe that the net average returns to the farmer are any higher or any lower than the net average returns to the town worker of the same ability and putting forth the same exertion? Why?
- 3 - Why has the standard of living in this country been higher than in the older countries of Europe? Is it now as high as our great progress in inventions would lead us to expect? If not, why not?
- 4 - If all investments in land should prove unprofitable, would that fact conflict with the claim that the holding of land out of use lowers all wages? Would the effect upon production be any different when the land speculator gains then when he loses by his operations?
- 5 - Is it within the power of the land-owner to fix the amount he shall charge his tenant? If not, what does fix this amount? What limits the advance of speculative rents?

Lesson VI

- 1 - If an exceptionally good school were to be established in a town, would this raise wages in that town? Would it affect rents there? Why?
- 2 - If some philanthropist, sorrowed by the low wages and poor living conditions in some mill town, were to set up a trust fund providing that each family in that town should receive, each year, a Christmas present of \$1,000.00, would his generosity improve the living conditions in that town? Would the effect be any different if the \$1,000.00 gift were made as a surprize for one year only? Why?
- 3 - Some years ago, the trolley fare between Newark and Nutley (and other outlying towns) was reduced from 16¢ to 5¢. The received

- 3 - A few years ago Chicago was known as a gangster city. Now by more efficient police methods she is redeeming her reputation which will make Chicago a more desirable place in which to live. What effect will this have on wages in Chicago? What effect on land values?
- 4 - Some years ago the trolley fare between Newark and Nutley (and other outlying towns) was reduced from 10¢ to 5¢. Who received the benefit of this reduced fare? Who retained the 5¢ saved in trolley fares?
- 5 - It is sometimes proposed that Newark build a port for sea-planes adjoining the air-port, hoping thus to become the terminus for foreign lines. If Newark's hopes in this matter should materialize, would this change benefit the business men of Newark? Is Newark's business men would not benefit, who, if anyone, would get the financial benefit of such a port for sea planes?
- 6 - (for everyone) Can you find any justification, acceptable to yourself, for private ownership in land? If so, what is it?

Lesson VII

- 1 - It is said that scientists by the aid of the cosmic ray, can change gold into either platinum or iridium? If this be true have they produced land? Have they produced wealth?
- 2 - If the chief cause of our economic troubles be the private ownership of land, would a division of the land, equally among all the people (either according to area or value) remedy or improve economic conditions? If so, how? If not, why not?
- 3 - If a single division of existing wealth were to be made, equally among all the people, and if it were known that this was to be followed by a re-division as often as holdings became unequal, what would be the result upon production?
- 4 - Is wealth ever produced by the community, as such? If so, when and how?
- 5 - Would a confiscation of land titles be a confiscation of wealth?
- 6 - If by a more efficient government it were possible to reduce all taxes by one half, would any benefit result? If so, to whom?

Lesson VIII

- 1 - Would taking ground rents for government purposes, increase rents to the tenants? If so, why? If not, why not?
- 2 - If the government were supported exclusively by ground rents, would or would not, every citizen pay a share of the cost of government? If not, who would escape?
- 3 - If the cost of the fire department is paid for out of ground rents, would the holder of a vacant lot receive any benefit from government in return for his contribution toward the support of the fire department? If so, what?
- 4 - Is there not plenty of cheap land now for those who want land to use? If so, why do they not use it? How would they be greatly benefitted if the selling value of land were destroyed?
- 5 - Can success attend any efforts to raise wages and insure permanent prosperity while our present land tenure system remains in effect? If so, what would that effort be? If not, why not?
- 6 - Would the benefits expected from destroying private property in land, be increased or decreased by destroying private property in anything else in addition to land? Explain why?

INTEREST - is that part of the produce which is required to induce Wealth to be re-entered into the field of production as Capital and its rate depends upon the equation between the supply of and the demand for Capital. The maximum ~~that~~ can be given for the use of Capital will be the increase that its use brings, and the minimum will be zero, - that is nothing above that required for the maintenance and replacement of Capital itself.

LEISURE - the absence of need which forces to uncongenial employment.

INFLATION: Neil Corruthers, N. Y. Herald, 3/1/36' "A sudden and violent rise in the price levels". In all history inflation has come to mean the issue of irredeemable paper money by the government, therefore, today, inflation can be defined as "a feverish and unnatural rise of prices due to a morbid condition in currency and credit' ".

STANDARD OF LIVING: The requirements of life generally current in a community, or grade of society, at a given period.

KNOWLEDGE: Locke in Human Understanding", LV-1 & 2 - "The perception of the agreement or the disagreement of two ideas."

POVERTY: Bigelow "When the highest wage that a sober and industrious man can earn is insufficient to protect the physical, mental and moral well-being of his family, he and his family may be said to be the victims of poverty."

IMPORTANCE OF DEFINITIONS.

Socrates: "The beginning of wisdom is the definition of terms." F. Stev. Hy. Geo. Sc. P. E.

"What do you mean by these abstract words with which you so easily settle the problems of life and death?" Durand, 11

Aristotle: "Definitions are the basis of systematic reasoning." Hy. Geo. Sc. P. E.

"How many a debate would have been deflated into a single paragraph if the disputants had dared to define their terms. This is the alpha and omega of logic, the heart and soul of it, that every important thing in serious discourse should be subjected to the strictest scrutiny and definition. It is difficult and ruthlessly tests fasts the mind, but once done it is half the task."

"Every definition has two parts: first, it assigns the object to a class or group whose general characteristics are also its own, and second it indicates wherein the object differs from all others of its class." Durant, 68.

Marcus Aurelius Antoninus: "Make for thyself a definition or description of the thing which is presented to thee, so as to see distinctly what kind of a thing it is, in its substance, in its nudity, in its complete entirety, and tell thyself its proper name, and the names of the things of which it has been compounded, and into which it will be resolved. For nothing is so productive of elevation of mind as to be able to ex-

mine methodically and truly every object which is presented to thee in life." Hy. Geo. P & P.

Voltaire: "If you wish to converse with me define your terms." Durant 68.

John Stuart Mill: "We must begin by settling our phraseology." Hy Geo.

Napoleon: "Get your principles right and the details will take care of themselves." From George Crystal's "Life as observed."

As Philosophers through the ages have seen
the Economic Problem. From Durant's
"The Story of Philosophy." (mostly)

Socrates: 400 B. C. "In an intelligently administered society, one which returns to the individual in widened powers more than it takes from him in restricted liberty, the advantage of every man would lie in social and loyal conduct, and only clear sight would be needed to insure peace, order and good will. But if the government itself is a chaos and an absurdity; if it rules without helping and commands without leading; how can we persuade the individual in such a state to obey the laws and confine his self seeking within the circle of total good?" 14.

Plato: 427 - 349 B. C. divides men into three classes: those whose aim is wealth, those who thirst for power, and those who yearn for knowledge and truth. These last few are the men of wisdom though they may be unused by the world.

"Democracy means perfect equality of opportunity." 40.

"Justice requires that each man receive the equivalent of what he produces." 47.

"Life in society requires the concession of some part of the individual's sovereignty to the welfare of the group." 49.

Aristotle: 348 - 322 B. C. "The stimulus to gain is necessary to arduous work; and the stimulus to ownership is necessary to proper industry, husbandry and care. That which is common to the greatest number has the least attention bestowed upon it. Every one thinks chiefly of his own, hardly every of the public interest." 92.

"The universal secret of great riches is the creation of a monopoly." 94

"If a constitution is to be permanent all parts of society must desire it to be maintained. A ruler who would avoid revolutions should prevent extreme of poverty and wealth." 97.

Francis Bacon: 1561-1626 "By the middle of the thirteenth century the church owned one third of the soil of Europe." 115.

"Natural justice is the conformity of human laws and actions to natural order. Man recognizes that other men, like him, the same wants as himself, cannot have less rights than himself, and therefore, he is bound to respect these rights, so that other men may observe a similar obligation toward him. These ideas, - the necessity of work, the necessity of society and the necessity of justice, imply three others - liberty, property and authority, which are the three essential terms of all social order."

"How could man understand the necessity of labor to obey the irresistible instinct of his preservation and well-being, without conceiving at the same time that the instrument of labor - the physical and intellectual qualities with which he is endowed by nature - belong to him exclusively, without perceiving that he is master and an absolute proprietor of his person, that he is born and should remain free? The freedom of the individual has of acquiring useful things by labor supposes necessarily that of preserving them, of enjoying them and of disposing of them without reserve. This liberty conceived in this manner becomes property. Absolute freedom, or property then is the fundamental right of man - freedom of person, freedom of opinion, and freedom of contract or exchange; and the violation of these violates the law of providence and is, therefore, the cause of all evil to man. So. F. H. 187.

Adam Smith: "The produce of labor constitutes the natural recompense or wages of labor."

"The landlords, like all other men, love to reap where they have not sown." So. F. H. 187.

John Stuart Mill: "A fair and even liberal estimate should be made of the current value of all land in the Kingdom, and the future additions to that value, not due to the improvements of the proprietor, should be taken by the state. The claim of the landholder is altogether subordinate to that of the state. Where private property in land is not expedient, it is unjust."

Locke: "Truth scarce ever yet carried it by vote at its first appearance, but truth, like gold, is not the less so for being newly brought out of the mine."

Spencer, in 1850 - "It can never be pretended that the existing titles to such property (land) are legitimate. Should anyone think so let him look in the chronicles. Violence, fraud, the prerogative of force, the claims of superior cunning - these are the sources to which these titles may be traced." Social Statics, Chapt. 9.

Blackstone: Commentaries, Book 2, Chapter 1.

"Accurately and strictly speaking, there is no foundation in nature or in natural law, why a set of words upon parchment should convey dominion to land."

Nietzsche: 1844-1900 "It is a sign of the inferiority of the nineteenth century culture that the man of money should be the object of so much worship and envy. 471. Durant.

mattered of them; for if there be fuel prepared it is hard to tell whence the spark shall come to set it on fire.----A better receipt for the avoidance of revolutions is an equitable distribution of wealth." 130.

Spinoza: 1632 - 1677 "The last end of the state is not to dominate men, nor to restrain them by fear; rather it is to so free each man from fear, that he may live and act with full security, and without injury to himself or his neighbors." 211.

"Laws which can be broken without any wrong to one's neighbor are counted but a lugging stock." 212.

"The fields and the whole soil, and (if it can be managed) the houses) should be public property, let at a yearly rental to the citizens - and with this exception let them all be free from every kind of taxation, in times of peace." 214.

Voltaire: 1694-1778 "Those who say that all men are equal speak the greatest truth, if they mean that all men have equal rights to liberty, to the possession of their goods, and to the protection of the laws; but equality is at once the most natural and the most chimerical thing in the world; natural when it is limited to right, unnatural when it attempts to level goods or powers." 236.

Kent: 1724 - 1804 "If men were entirely social, men would stagnate: a cert in alloy of individualism and competition is required to make the human species grow and survive." 307 1784

"Every man is to be respected as an absolute end in himself, and it is a crime against the dignity that belongs to him as a human being, to use him as a mere means for some external purpose. What civilisation demands for its continuation is equality of opportunity for the development and application of ability." 311 1795

Robert Spenser: 1820 - 1903 "Beyond maintaining justice, the state cannot do anything without transgressing justice." 422.

"Change in the forms of government means nothing where economic life is not free." 423.

"The formulae for justice is this: every man is free to do as he will provided he infringes not the equal freedom of any other man." 431.

Locke: "Though the earth and all inferior creatures be common to all men, yet every man has a property in his own person: this nobody has a right to but himself. The labor of his body, the work of his hands he may say are properly his, whatever then he removed out of the state that nature hath provided and left it in; he hath mixed his labor with and joined to it something that is his own, and thereby makes it his property. If being by his removed from the common state nature hath placed it in, it hath by this labor something annexed to it that excludes the common right of other men. For this labor being the unquestionable property of the laborer, no man but he can have a right to what that is once joined to, and at least some share is enough and as good left in common for others." Para. 111. 18.

Rigny: "Great estates ruined Italy."

Bertrand Russell, 1872 - "No good to the community of any sort or kind results from the private ownership of land. If men were reasonable they would decree that it should cease tomorrow, with no compensation, beyond a modest life income to the present holders." 524. Durant.

Russell was shocked and disappointed to find that in Russia land nationalization had been forced to yield to private ownership (except on paper). Because men as made today will not properly till and husband their holdings, unless they can rely on transmitting them and the improvements they have put into them, to their children. 527 Durant.

Santayana, 1863 - "The only equality subsisting (in an orderly society) should be equality of opportunity." 500 Durant.

Tolstoi: "But the time comes for everything. As the time came for the abolition of man's property in man, so the time has now come for the abolition of the supposed right of property in land, which involves the appropriation of other peoples' labor." 1903 - A Great Iniquity.

Buckle: (History of Civ.) "Progress of knowledge accelerates the increase of wealth, though in the first foundation of society, wealth must be accumulated before knowledge can begin." 31.

"Great ignorance is the fruit of great poverty."

34.

"Most writers pay too exclusive attention to the production of wealth, and neglect the laws of distribution." 38.

"There is no instance on record of a class possessing power without abusing it." 36.

"He is willing to perform his duty is the moral part; to know how to perform it the intellectual part." 126.

"In the United States rents are merely nominal, owing to the immense supply of land, preventing the necessity of cultivating those inferior soils which older countries are glad to use, and are, therefore, willing to pay a rent for the right of using." 54.

Buckle: "However, pernicious any interest, beware of using force against it, unless the progress of knowledge has previously sapped it at its base, and loosened its hold over the national mind. This has always been the error of the most ardent reformers, who, in their eagerness to affect their purpose, let the political movement outstrip the intellectual one, and thus, inverting the natural order, secure misery for themselves, -- They touch the altar and fire springs forth to consume them."

Karl Marx: "The exploitation of labor by capital follows on the exploitation of men from the soil."

Clarence Darro: "The theory of taxing land values, as suggested by Henry George, is O. K. but the American people will never vote for it because it is so simple."

Benj. Franklin: 1751. "Notwithstanding this increase in population, so vast is the territory of North America, that it will require many ages to settle it fully; and until it is settled fully labor will never be cheap here, where no man continues long a laborer for others, but gets a plantation of his own. No man continues long a journeyman to a trade but goes among these new settlers and sets up for himself." *Works*, vol. 3, page 223.

Pres. Arthur T. Holey of Texas: "If it (luxury) leads one man to monopolize the product of a larger amount of land than is necessary for his own support, it prevents others from getting food." *Economics*, Chapter 10, page 310.

Jefferson: "Our people will continue independent and moral so long as there are vacant lands to which they can resort. So long as free lands are available, the exploitation of the workers will be impossible for they can quit their trades and go to laboring the earth." Gilbert M. Tucker in "Path to Prosperity".

Lincoln in Message to Congress 1861: "It is assumed that labor is available only in connection with capital, that nobody labors unless somebody else owning capital, somehow by the use of it, induces him to labor. Labor is prior to and independent of capital. Capital is only the fruit of labor, and could not have existed if labor had not first existed. ---Inasmuch as most good things have been produced by labor it follows that all such things belong of right to those whose labor has produced them. But it has so happened in all ages of the world, that some have labored and others have, without labor, enjoyed a large portion of the fruit. This is wrong and should not continue. To secure to each laborer the whole product of his labor, as nearly as possible, is a worthy object of any government."